

appointed Committee and its failure to reduce some tax norms despite a drop in rates is responsible for this;

(c) if so, the facts, with details thereof; and

(d) what action has been taken on CAG's observation?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (d) The Comptroller and Auditor General of India in its report "Union Government (Civil) Transaction Audit Observations (2 of 2000)" pertaining to Ministry of Chemicals & Fertilizers have made observations with regard to the implementation of Retention Price-cum-Subsidy Scheme by the Fertilizer Industry Coordination Committee (FICC) which administers the scheme. As per the report, subsidy payment of Rs. 5932 crore was made by FICC for production of indigenous urea to the fertilizer units for the year 1997-98. The report has inter-alia referred to excess payments of subsidy because of delay in revision and adjustment of subsidy on account of reduction in corporate tax. It has also referred to the reliance placed by FICC on the data furnished by the fertilizer units in calculation for payment of subsidy without independent verification and scrutiny of basic records maintained by the fertilizer companies.

The observations made by the Comptroller and Auditor General are being processed. As far as the correction relating to drop in tax rate is concerned, while it was not effected immediately, since the subsidy is provided on an ongoing basis, differences were adjusted as a result thereof.

#### **Assessment of capacity of fertilizer units**

2804. SHRI RAMACHANDRAIAH RUMANDLA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have detected certain fertilizer units understating their capacities;

(b) if so, the action taken to re-assess the capacity and quality, the exact amount of recoveries to be effected, from them; and

(c) the action proposed against the erring companies?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) Government is seized of the matter relating to excess drawal of subsidy by under statement of capacities by

some of the urea manufacturing units. Government have appointed a Committee of Experts under the Chairmanship of Dr. Y. K. Alagh to address to the total issue of reassessment of capacity including recoveries that may have to be effected. As regards action against the companies, the matter has been referred to the Central Bureau of Investigation (CBI) for investigation of the available evidence with a view to determining whether a prima-facie case is made out against the concerned units under the relevant sections of the Indian Penal Code.

### **Winding up forest college at Burnihat**

2805. DR. ARUN KUMAR SARMA: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) whether Government's attention has been drawn to the newsitems which appeared in Assam Tribune of 21st July, 2000 regarding move on to wind up Forest College at Burnihat, Meghalaya;

(b) whether Government have decided to wind up Burnihat College;

(c) if so, the reasons therefor;

(d) if not, the action plan finalised to activate and revive the college as a full fledged institution; and

(e) the functional status of forest colleges in the country, indicating infrastructure, financial condition, support from Government, total strength of trainees and technology and output in last five years?

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI BABULAL MARANDI): (a) Yes, Sir.

(b) No Sir.

(c) Does not arise.

(d) Optimum utilization of infrastructure and manpower available in the Institute is not taking place due to reduced recruitment of State Forest Service Officers. Presently, the spare capacity is utilised for organising short term training programmes/refresher courses.

(e) The functional status of various Forest Colleges on the requisite parameters is given as under:—